

South Third County Service District

Function and Organization:

To provide sewer service to the residents in an area along South Third Street, which is located about one mile south of Corvallis city limits along Highway 99W.

The district is an independent municipal corporation. The Benton County Board of Commissioners sits as the Governing Body. Benton County Public Works Department manages daily operations, customer billing and staff support. The County Finance Office provides treasury and financial management services. The County Budget Office coordinates the budget process. The County is reimbursed for these services by district funds.

In February 1997, the Benton County Health Department completed a health hazard assessment for the area known as the "South Third Area", which identified failing septic systems throughout the area. The South Third Area lies within the Urban Growth Boundary of Corvallis, but is currently outside of the city limits. The area is along South Third Street (Hwy 99W), and includes the area between the railroad tracks on the west and the bank of the Booneville Slough on the east. On the north, it includes the land along both sides of Kiger Island Drive, and stretches south to just beyond Airport Road. The health hazard assessment was adopted by the Benton County Board of Commissioners on May 7, 1997, and confirmed that the South Third area was at the top of the County's Environmental Assessment Priority List.

The district was organized in 2001. It serves the residents south of Corvallis in a designated health hazard area. The district serves 38 properties and 41 customers. An advisory committee reviews district operations and makes recommendations on issues and rates to the governing body.

Waste is piped to a connection to the Corvallis sewage system for processing. District rates cover processing fees and accumulation for other operating and maintenance expenses.

Budget Discussion:

This is an annual budget. The fiscal year starts on July 1, 2007 and ends on June 30, 2008.

Beginning July 1, 2006, the district began charging a late fee to delinquent accounts. The change did not have a significant budget impact, but allowed the district to recover the actual costs of processing past due accounts. No rate adjustments are proposed or assumed in the budget.

Administration:

Board of Commissioners

Benton County Public Works:

Roger Irvin, Director

Chris Bielenberg, Facilities & Utilities
Manager

Location:

360 SW Avery
Corvallis

Telephone:

(541) 766-6821

Budget Summary

South Third County Service District - All Funds

Resource / Expense Category	2004-05 Annual Actual	2005-06 Annual Actual	2006-07 Annual Adopted	2006-07 Annual Adjusted	2007-08 Annual Adopted	% Change Over Adjusted
General Revenues	-	-	-	-	-	--
Charges for Service	18,360	17,808	18,080	18,080	18,162	0.5%
Operating Grants/Contributions	1,227	4,020	2,700	2,700	5,255	94.6%
Capital Grants/Contributions	4,696	-	-	-	-	--
Internal Fund Transfers	-	-	3,000	3,000	1,963	-34.6%
Loans	92,602	35,216	11,000	11,000	11,000	0.0%
Current Revenues Total	116,885	57,044	34,780	34,780	36,380	4.6%
Unrestricted Beginning Balance	-	-	-	-	-	--
Dedicated Beginning Balance	65	78,368	100,000	100,000	75,000	-25.0%
Capital Beginning Balance	237	5,819	7,186	7,186	9,325	29.8%
Beginning Balance Total	302	84,187	107,186	107,186	84,325	-21.3%
 Total Resources	 117,187	 141,231	 141,966	 141,966	 120,705	 -15.0%
Personnel Services	-	-	-	-	-	--
Materials & Services	18,540	15,073	18,605	18,605	18,700	0.5%
Capital Outlay	-	-	-	-	-	--
Other: Internal Fund Transfers	-	-	3,000	3,000	1,963	-34.6%
Other: Loans	-	-	-	-	-	--
Other: Debt Principle	4,004	4,179	54,400	54,400	4,600	-91.5%
Other: Debt Interest	10,456	10,281	10,300	10,300	10,000	-2.9%
Expenditures Total	33,000	29,533	86,305	86,305	35,263	-59.1%
Other: Contingency	-	-	6,861	6,861	9,042	31.8%
Other: Reserve for Future Years	-	-	48,800	48,800	76,400	56.6%
Other: Unappropriated Balance	-	-	-	-	-	--
Other Total	-	-	55,661	55,661	85,442	53.5%
 Dedicated Rev. Surplus/(Deficit)	 84,187	 111,698	 -	 -	 -	
 Expenditures by Fund						
South Third County Service District	33,000	29,533	86,305	86,305	35,263	-59.1%
Total Expenditures	33,000	29,533	86,305	86,305	35,263	-59.1%
 Reserve Distribution						
Sewer Operations (Contingency)	-	-	1,157	1,157	-	-100.0%
Sewer Construction (Contingency)	-	-	5,704	5,704	9,042	58.5%
Debt Service (Reserve)	-	-	48,800	48,800	76,400	56.6%
Other (Reserve) Total	-	-	55,661	55,661	85,442	53.5%

Sewer Operations

South Third County Service District Fund

Purpose:

To provide operation and maintenance of a community sewer system in an area immediately south of Corvallis servicing approximately 41 customers. Operate a successful and efficient system.

	2004-05	2005-06	2006-07	2006-07	2007-08	% Change
Resource / Expense Category	Annual	Annual	Annual	Annual	Annual	Over
	Actual	Actual	Adopted	Adjusted	Adopted	Adjusted
General Revenues	-	-	-	-	-	--
Program Income	16,983	16,235	19,762	19,762	18,700	-5.4%
Beginning Balance	65	(812)	-	-	-	--
Resources	17,048	15,423	19,762	19,762	18,700	-5.4%
Personnel Services	-	-	-	-	-	--
Materials & Services	17,860	15,073	18,605	18,605	18,700	0.5%
Capital Outlay	-	-	-	-	-	--
All Other	-	-	1,157	1,157	-	-100.0%
Budget Total	17,860	15,073	19,762	19,762	18,700	-5.4%
Full-Time-Equivalent (FTE) by Type						
Regular (Greater than .50 FTE)	-	-	-	-	-	--
Temporary Hire	-	-	-	-	-	--

Accomplishments:

- Completed all connections
- Finalize billing process and assessment payments
- Budgeted and managed system operations

Objectives:

- Continue cooperation with the City of Corvallis for rate strategies
- Continue billing and assessment process
- Prepare budgets and manage system operations

Budget Note:

The budget assumes no change in rates from the prior year.

Sewer Construction

South Third County Service District Fund

Purpose:

To provide for accumulation of revenue dedicated to future system replacement, improvements and emergency repairs. Fund one-time major maintenance and repairs that are too expensive to fund out of the standard operating budget.

Resource / Expense Category	2004-05 Annual Actual	2005-06 Annual Actual	2006-07 Annual Adopted	2006-07 Annual Adjusted	2007-08 Annual Adopted	% Change Over Adjusted
General Revenues	-	-	-	-	-	--
Program Income	6,262	1,823	1,518	1,518	1,680	10.7%
Beginning Balance	237	5,819	7,186	7,186	9,325	29.8%
Resources	6,499	7,642	8,704	8,704	11,005	26.4%
Personnel Services	-	-	-	-	-	--
Materials & Services	680	-	-	-	-	--
Capital Outlay	-	-	-	-	-	--
All Other	-	-	8,704	8,704	11,005	26.4%
Budget Total	680	-	8,704	8,704	11,005	26.4%
Full-Time-Equivalent (FTE) by Type						
Regular (Greater than .50 FTE)	-	-	-	-	-	--
Temporary Hire	-	-	-	-	-	--

Accomplishments:

- Complete construction

Objectives:

- Connect remaining services
- Establish and build capital fund for future repair and maintenance

Debt Service

South Third County Service District Fund

Purpose:

To account for special assessment payments by property owners and principle and interest payments due on bonds sold to finance a portion of system construction.

Resource / Expense Category	2004-05	2005-06	2006-07	2006-07	2007-08	% Change
	Annual Actual	Annual Actual	Annual Adopted	Annual Adjusted	Annual Adopted	Over Adjusted
General Revenues	-	-	-	-	-	--
Program Income	93,640	38,986	13,500	13,500	16,000	18.5%
Beginning Balance	-	79,180	100,000	100,000	75,000	-25.0%
Resources	93,640	118,166	113,500	113,500	91,000	-19.8%
Personnel Services	-	-	-	-	-	--
Materials & Services	-	-	-	-	-	--
Capital Outlay	-	-	-	-	-	--
All Other	14,460	14,460	113,500	113,500	91,000	-19.8%
Budget Total	14,460	14,460	113,500	113,500	91,000	-19.8%
Full-Time-Equivalent (FTE) by Type						
Regular (Greater than .50 FTE)	-	-	-	-	-	--
Temporary Hire	-	-	-	-	-	--

Accomplishments:

- Used a portion of surplus cash from assessment payoffs to reduce the debt service schedule by three years

Objectives:

- Make principle and interest payments when due
- Monitor for delinquencies
- Periodically evaluate possibilities for prepayment of bonds when surplus cash is available

Budget Discussion:

Annual principle and interest payments are \$14,460 per year. When there is sufficient cash available the county will periodically evaluate additional prepayment of bonds.